

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 377 - SB 1746

March 16, 2009

SUMMARY OF BILL: Urges the State Board of Education (SBOE) to develop and establish a rubric for the assessment of children's differing abilities, including subject areas outside of logic, math, and English.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$40,737,000/Recurring
\$391,000/One-Time FY09-10**

Increase Local Expenditures – Exceeds \$500,000*

Assumptions:

- The SBOE will convene a panel of experts to develop this rubric. SBOE standard cost for travel and per diem is \$1,500 per meeting. The SBOE estimates that a minimum of four meetings will be held. The increase in state expenditures is estimated to be \$6,000 (\$1,500 x 4).
- The fiscal impact assumes that the action urged by this bill will be implemented by the SBOE and will not be delegated to the Department of Education.
- DOE will establish tests based upon this rubric. Current contract for the Holistically Scored Assessments (three grades) which includes writing, portfolio, and constructed response components, costs approximately \$7,200,000. This contract will be expanded to all grades and will cost approximately \$31,200,000. An additional online component will be developed for approximately 930,000 students at a cost of approximately \$9.75 per student, a total of \$9,067,500 (\$9.75 x 930,000).
- Web site set-up and maintenance in FY09-10 will be approximately \$855,000 and \$470,000 in FY 10-11 and subsequent years.
- Total increase in recurring state expenditures in approximately \$40,737,000 (\$9,067,000 + \$31,200,000 + \$470,000).
- Total increase in one-time expenditures in FY09-10 will be \$391,000 (\$6,000 + \$385,000).

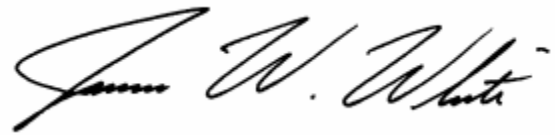
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- Increases in local expenditures for additional staff training, computer technology, and any additional personnel are estimated to exceed \$500,000 statewide.

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

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